

Iowa Department of Natural Resources
Environmental Protection Commission

ITEM

DECISION

TOPIC

28E Agreement Between the Iowa Underground Storage Tank Board and the Iowa Department of Natural Resources for Funding the Department's Underground Storage Tank Section for Fiscal Year 2009

ATTACHMENTS Iowa UST Fund Board and DNR FY'09 Funding 28E Agreement.

The Department is requesting approval for entering into a 28E agreement with the UST Fund Board that will provide a portion of the funding needed for the management and operation of the Department's UST Section. Receipt of the funding is contingent upon DNR meeting quarterly milestones in four areas of responsibility.

The source of funding for this agreement is the state's tank tag fees. An owner or operator of an underground tank shall pay an annual storage tank management fee of sixty-five dollars for each tank over one thousand one hundred gallons capacity. DNR collects the fees and issues the tags. Twenty-three percent of the fees collected are deposited in DNR's storage tank management account of the groundwater protection fund. Seventy-seven percent of the fees are transferred and deposited in the comprehensive petroleum underground storage tank fund which is managed by the UST Fund Board. A total of \$500,000 to \$525,000 is collected on an annual basis. In FY'08 \$385,000 was transferred to the UST Fund Board while DNR retained \$115,000.

Funding for DNR's tank programs particularly the Underground Storage Tank Program (UST) remains problematic. In order to have a balanced budget DNR has relied upon the portion of the tank tag fees that are transferred to the UST Fund Board. The mechanism for the reverse transfer has been a 28E Agreement. For the current fiscal year DNR has agreed to carry out and complete four areas of responsibility. The UST Fund Board agrees to compensate the Department in an amount of \$385,000. A summary of DNR's responsibilities is as follows:

1. Perform an assessment of low risk Leaking Underground Storage Tank (LUST) sites for which monitoring has been conducted for five or more years. The outcome is to develop criteria and a procedure for determining which sites are eligible for closure.
2. Perform research and conduct advisory group meetings for determining the impacts of petroleum on plastic water supply lines' integrity.
3. Conduct meetings and develop a plan for evaluating other Risk Based Corrective Action (RBCA) rules including but not limited to: soil gas methodology and guidance; sewers as receptors for contaminants from LUST sites; surface waster restrictions; and, capturing the effect of time on historical releases.

4. UST Section staff will meet on a quarterly basis with the appropriate DNR Field Office Staff to review accomplishments of previous quarter, set priorities for the next quarter, and collaborate on enforcement strategies.

The approval by the UST Fund Board to enter into this agreement is contingent upon EPC's approval of the two other 28E Agreements that are on today's agenda. Since we are already 4 months into the '09 Fiscal Year it is imperative that these matters be resolved.

Wayne Gieselman
Administrator
Environmental Protection Division

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